COCHIN
LEGISLATIVE COUNCIL PROCEEDINGS

OFFICIAL REPORT OF THE BUDGET SESSION, 1115

Monday, the *22nd July 1940* / *7th Karkadagam 1115*

The Council met in the Council Hall, Ernakulam, at Eleven of the clock with the Hon'ble the President (SIR SHANMUKHAM CHETTY, K. C. I. E.), in the Chair.

Messrs. T. V. Subramania Ayyar and Popatlal Goverdhan Lalan were absent

Swearing in of New Members

Messrs. A. Madhava Prabhu and P. K. Krishnan were sworn in.

OPENING SPEECH
BY
DIWAN SIR SHANMUKHAM CHETTY, K.C.I.E.

Honourable Members,

Before I come to the annual review of the administration of the State during the last twelve months, I shall refer briefly to the budgetary position of the Government. My statement will indicate only the broad outlines of the financial position. The details will be disclosed in the Budget Statement which will be made later on by the Hon'ble Finance Member and also in the Explanatory Memorandum which will be supplied to honourable members.

ACCOUNTS OF 1114 M.E.

We expected to close the accounts of the year 1114 with a surplus of Rs. 4·91 lakhs. Actually, the surplus has been Rs. 8·32 lakhs. As against the revised estimate of receipts of Rs. 108·46 lakhs, the actual revenue for the year has been Rs. 110·23 lakhs. As against the total anticipated expenditure of Rs. 103·55

LIBRARY ARCHIVES Kerala Legislative Assembly

lakhs, the actual expenditure has been only Rs. 101·91 lakhs. The important variations in the actuals as compared with the budget estimates are given in separate tables in the Explanatory Memorandum of the Finance Member. The more important increases under revenue are; Rs. 1·78 lakhs under "Customs"; Rs. 99,000 under "Interest"; and Rs. 1·57 lakhs under "Income Tax." Out of the realised surplus of Rs. 8·32 lakhs, a sum of Rs. 6·50 lakhs has been transferred to the Revenue Reserve Fund, thus leaving the actual surplus at Rs. 1·82 lakhs.

REVISED ESTIMATE FOR 1115 M.E.

3. For the current year we budgetted for a revenue of Rs. 107·95 lakhs, while the revised estimate shows that the revenue anticipated will be Rs. 111·87 lakhs. As against the budgetted expenditure of Rs. 102·89 lakhs, the revised estimate of expenditure will be Rs. 104 lakhs. It will thus be seen that, while we anticipated a surplus of Rs. 5·06 lakhs at the time of the preparation of the budget, we now expect that in the current year there would be a surplus of Rs. 7·87 lakhs. If you examine the statements showing the variations in revenue, you will find that, while there has been a decrease of Rs. 1·22 lakhs under "Stamps," there have been increases under various heads, chief of them being Rs. 1 lakh under "Customs," Rs. 1 lakh under "Income Tax," and Rs. 85,000 under "Interest." On the expenditure side, the revised estimate provides for Rs. 1 lakh, being the amount contributed by the State for the war. If you deduct this amount it will be found that the revised estimate of expenditure is Rs. 103 lakhs as against the budgetted estimate of Rs. 102·89 lakhs. In other words, the revised estimate of expenditure will be almost the same as the budgetted estimate. This is a clear evidence not merely of careful budgetting, but of the rigid control that is exercised over expenditure in every department.

BUDGET ESTIMATE FOR 1116 M.E.

4. For the ensuing year we have budgetted for a revenue of Rs. 114·50 lakhs and an expenditure of Rs. 108·97 lakhs, thus leaving a surplus of Rs. 5·53 lakhs. The total anticipated revenue includes an appropriation of Rs. 3·25 lakhs from the Revenue Reserve Fund, and, if this sum is deducted, the ordinary revenue of the State for the next year will be Rs. 111·25 lakhs. It would be found that this is the highest figure of revenue reached so far in the finances of the State. As compared with the revised estimate for the current year, we

LIBRARY ARCHIVES Kerala Legislative Assembly